

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

February 22, 1999 LB 346

January 12 of this year, at that time referred to the Banking, Commerce, and Insurance Committee. The bill was advanced to General File.

SENATOR SCHIMEK: Thank you, Mr. Clerk. Senator Byars.

SENATOR BYARS: Thank you, Madam President. LB 346 is legislation that was suggested to me by the Nebraska Society of Certified Public Accountants and, basically, contains two quite simple provisions which would amend the Nebraska Accountancy Act of 1957. And those two provisions, one of which pertains to students who would sit for the CPA exam, the other pertains to ownership structure of Nebraska CPA firms. And I'd like to spend a few minutes explaining to you what each of these provisions accomplishes. But I would like to say first that this...this bill came out of committee on a vote of seven to one. Senator Landis is unable to be here. He does object to this bill, and I know on Select File that he will...he will at least like to make a statement as to the reasons why. But the rest of us on the committee advanced the bill unanimously and felt, as it was brought to us by the CPAs themselves, that we would feel comfortable with them controlling their own destiny. The first provision, which is just extremely a common sense provision, students in Nebraska have to complete 150 hours, college hours, to be eligible to sit for the CPA exam for the first time. And the exam in Nebraska, as nationally, is given twice a year, once in early May, and another time in early November. This bill amends the Nebraska Accountancy Act to allow a student to complete that 150-hour education requirement within 60 days of a CPA exam date, and that's the important part of the change. What this would do would allow Nebraska students a window of opportunity, if you will, to sit for the CPA exam nearest their education requirement completion date, if desired. Now what does this mean? Try to give an example so that we can all understand why this change. Under the current law, if an accounting student would complete their 150 hours in a semester that ends on May 13th, they would be ineligible to sit for the CPA exam held on May 4th and 5th, and would have to wait until November to sit for the exam. This seems unrealistically harsh. This will not forgive them any type of education requirements, but will allow them to sit for the exam within those 60 days of the exam date. They're going to have to be certified exactly